

STATE OF ILLINOIS

SOLICITATION DOCUMENT

CLEAN COAL FACILITY ANALYSIS – TENASKA

REF#: ICC09EDV001

The Illinois Commerce Commission (AGENCY) is requesting Offers (bids / proposals) from responsible Vendors to meet the State's needs. Below is a brief description of our needs with detailed requirements in subsequent sections of this solicitation. If you are interested and able to meet these requirements, please submit an Offer.

We are issuing this solicitation in the following form and you must take that into account when reading and responding:

- | | |
|-------------------------------------|--|
| <input type="checkbox"/> | Invitation for Bids |
| <input type="checkbox"/> | Request for Proposals |
| <input checked="" type="checkbox"/> | Request for Proposals (Professional and Artistic Services) |

Brief Description:

The owner of the initial clean coal facility in Illinois must submit a facility cost report to the Illinois Commerce Commission, the Illinois Power Agency, and the Illinois General Assembly; and the Illinois Commerce Commission, in consultation with the Illinois Power Agency, must report to the Illinois General Assembly setting forth its analysis of the facility cost report. The Illinois Commerce Commission seeks to hire a consultant to assist in the preparation of its report. Illinois' new Clean Coal Portfolio Standard Law [P.A. 95-1027] details the facility cost report and the Illinois Commerce Commission's analytical duties and reporting requirements. Timing considerations for action by the Illinois General Assembly make it desirable to complete the Illinois Commerce Commission's analysis and report as quickly as possible after the owner of the initial clean coal facility submits its facility cost report.

The solicitation package consists of two parts:

Part A INSTRUCTIONS FOR SUBMITTING AND EVALUATING BIDS AND PROPOSALS: Part A consists of the following sections:

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| SECTION 1 | INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION |
| SECTION 2 | HOW WE WILL EVALUATE OFFERS |
| SECTION 3 | SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK |

These sections provide information necessary for submitting an Offer (a bid or proposal), set forth the basic legal and policy requirements associated with this solicitation and tell how we will evaluate Offers.

Part B OFFER RESPONSE FORMS: Part B consists of the following sections:

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|-----------|----------------------------|
| SECTION 4 | OFFER TO STATE OF ILLINOIS |
| SECTION 5 | RESPONSIBILITY FORMS |
| SECTION 6 | RESPONSIVENESS |
| SECTION 7 | PRICE |
| SECTION 8 | CONTRACT |

Your response to Part B will constitute your Offer to the State and will provide us with information about you, what you will provide, your ability to perform and your price. We will evaluate this information as well as compliance with the Instructions.

In this document the State of Illinois and the Illinois Commerce Commission will be referred to as "State," "Agency," "we" or "us." The Illinois Commerce Commission will also be referred to as "Commission." The person submitting an Offer will be referred to as "Vendor," "Contractor" or "You." "We" is used appropriate to the context. The owner of the initial clean coal facility will be referred to as "Owner."

Please read the entire solicitation package and submit your Offer for evaluation in accordance with all instructions.

Public Act 95-971 and Executive Order 3 (2008) address political contributions by Vendors, including affiliated persons and entities. Accordingly, this solicitation contains new provisions that implement the Act and Order. These provisions may be applicable to the contract resulting from this solicitation. <http://www.purchase.state.il.us/ipb/IPBhomep.nsf?Open>

NON-DISCRIMINATION POLICY In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not discriminate in employment, contracts, or any other activity.

SECTION 1 - INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION

- 1.0 PROJECT CONTACT:** If you have a question or suspect an error, you must immediately notify the Project Contact identified in this section. Do not discuss the solicitation or your Offer, directly or indirectly, with any State officer or employee other than the State Project Contact. Only written answers to questions shall be binding on the State.

Jeremy Kirk
Illinois Commerce Commission
527 East Capitol Ave.
Springfield, IL 62701

Phone: 217-557-7969
Fax: 217-785-5231
TDD: 217-782-7434
E-mail: jkirk@icc.illinois.gov

- 1.1 VENDOR CONFERENCE / SITE VISIT:** ☒ Yes ☐ No
Date and Time: April 27th, 2009, at 10:00 a.m. central time

Mandatory Attendance: ☐ Yes ☒ No
Location: Telephonic

To obtain the telephone call-in number and passcode, please e-mail or call Jeremy Kirk at jkirk@icc.illinois.gov or 217-557-7969. When requesting the call-in information, please provide your name, your firm's name, address, and telephone number. Participation in the Vendor Conference is optional. The purpose of the Vendor Conference is to allow prospective Vendors an opportunity to ask questions regarding the RFP and the work to be performed. Oral discussions at the Vendor Conference will not be considered part of the RFP unless confirmed in writing by the Agency/Buyer and incorporated into this RFP. Questions asked at the conference that cannot be adequately answered during the conference may be deferred. A copy of the questions and answers will be posted on the Commission's Web site at <http://www.icc.illinois.gov/>.

We will provide written responses to questions and only those written responses shall be binding. If attendance is mandatory you will be disqualified if you (incumbents included) do not attend, are not on time, leave early or fail to sign the attendance sheet. You must allow adequate time to accommodate security screenings at the site.

- 1.2 OFFER DUE DATE, TIME AND SUBMISSION LOCATION:** Due Date: **May 27th, 2009** Time: **2:00 P.M.**

DELIVER OFFERS TO:

Illinois Commerce Commission
Attn: Jeremy Kirk
527 East Capitol Ave.
Springfield, IL 62701

LABEL OUTSIDE OF ENVELOPE / CONTAINER:

Clean Coal Facility Analysis – Tenaska Ref#: ICC09EDV001
May 27th, 2009, 2:00 P.M.
[Vendor Name & Address]

We will open Offers at the Due Date, Time and Delivery Location. Prior to the due date, you may mail or hand-deliver Offers, modifications, and withdrawals. We do not allow e-mail, fax, or other electronic submissions. We must physically receive submissions as specified; it is not sufficient to show you mailed or commenced delivery before the due date and time. We will not consider Offers, modifications or withdrawals submitted after the due date and time. All times are State of Illinois local times.

- 1.3 NUMBER OF COPIES:** You must submit a signed original and 4 copies of the Offer in a sealed container. In addition, you must submit 1 copy on CD in the Adobe Systems' Portable Document Format (PDF). You must submit separate CDs for technical and price with the price CD sealed in the pricing envelope. If you are requesting confidential treatment, you must make that request in the form and manner specified elsewhere in this solicitation.

- 1.4 OFFER FIRM TIME:** Your Offer must remain firm for 120 days from opening.

- 1.5 SECURITY:** N/A

- 1.6 PROTEST REVIEW OFFICE:**

Illinois Commerce Commission
Attn: Ken Hundrieser
160 N. LaSalle Street, Suite C-800
Chicago, IL 60601

Ph: 312-814-3363
Fax: 312-814-1818
TDD: 312-814-5845

You may submit a written protest of our actions to the PROTEST REVIEW OFFICE following the requirements of the Standard Procurement Rules (44 Ill. Adm. Code 1.5550). We must physically receive the protest by noon of the seventh calendar day after you knew or should have known of the facts giving rise to the protest.

- 1.7 SMALL BUSINESS SET-ASIDE:** ☐ Yes ☒ No. If "Yes" is marked, you must be certified by the Small Business Set-Aside Program at the time Offers are due in order for us to evaluate your Offer. For complete requirements and to certify your business in the Small Business Set-Aside Program, visit [http://www.sell2.illinois.gov/bep/Set Aside.htm](http://www.sell2.illinois.gov/bep/SetAside.htm).

- 1.8 **MINORITY, FEMALE AND PERSONS WITH DISABILITY SUBCONTRACTING:** ☐ Yes ☒ No. If "Yes" is marked, this solicitation contains a goal to include businesses owned and controlled by minorities, females and persons with disabilities in the State's procurement and contracting processes. In addition to the number of copies requested above, **you must submit an original and 1 copy of the Utilization Plan and Letter of Intent, sealed separately within the offer container.** Failure to submit a Utilization Plan as instructed later in this solicitation will render the offer non-responsive. All questions regarding the subcontracting goal must be directed to the Supplier Diversity Manager at 312-814-1589 or Nancy.Quoss@illinois.gov. Subcontracting vendors must be certified by CMS as BEP vendors before the time of contract award. Go to http://www.sell2.illinois.gov/bep/Business_Enterprise.htm for complete requirements for BEP certification.
- 1.9 **PUBLIC CONTRACTS NUMBER:** (775 ILCS 5/2-105) If you do not have a Department of Human Rights' (DHR) Public Contracts Number or have not submitted a completed application to DHR for one before opening we may not be able to consider your Offer. Please contact DHR at 312-814-2431 or visit <http://www.state.il.us/dhr/index.htm> for forms and details.
- 1.10 **OUT OF STATE COMPANIES:** Non-Illinois Vendors must contact the Illinois Secretary of State (217-782-1834) regarding a Certificate of Authority to Transact Business in Illinois (805 ILCS 5/13). Application Form BCA 13.15 may be downloaded from http://www.cyberdriveillinois.com/departments/business_services/publications_and_forms/bca.html.
- 1.11 **ILLINOIS PROCUREMENT BULLETIN (Bulletin):** We publish procurement information (including updates) in the electronic Bulletin (<http://www.purchase.state.il.us>). Procurement information may not be available in any other form or location. You are responsible for monitoring the Bulletin; we cannot be held responsible if you fail to receive the optional e-mail notices.
- 1.12 **AWARD:** We will post a notice to the Bulletin identifying the apparent awardee. The notice extends the Offer Firm Time until we sign a contract or determine not to sign a contract. We may accept or reject your Offer as submitted, or may require contract negotiations. If negotiations do not result in an acceptable agreement, we may reject your Offer and begin negotiations with another Vendor. Protested awards are not final and are subject to resolution of the protest.
- 1.13 **PUBLIC RECORDS AND REQUESTS FOR CONFIDENTIAL TREATMENT:** Offers become the property of the State and these and late submissions will not be returned. Your Offer will be open to the public under the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) and other applicable laws and rules, unless you request in your Offer that we treat certain information as exempt. We will not honor requests to exempt entire Offers. You must show the specific grounds in FOIA or other law or rule that support exempt treatment. Regardless, we will disclose the successful Vendor's name, the substance of the Offer, and the price. If you request exempt treatment, you must submit an additional copy of the Offer with exempt information deleted. This copy must tell the general nature of the material removed and shall retain as much of the Offer as possible. You will be responsible for any costs or damages associated with our defending your request for exempt treatment. You agree the State may copy the Offer to facilitate evaluation, or to respond to requests for public records. You warrant that such copying will not violate the rights of any third party.
- 1.14 **RESERVATIONS:** You must read and understand the solicitation and tailor your Offer and activities to ensure compliance. We reserve the right to amend the solicitation; reject any or all Offers; to award by item, group of items, or grand total; and to waive minor defects. We may request a clarification; inspect your premises; interview staff; request a presentation; or otherwise verify the contents of the Offer, including information about subcontractors and suppliers. We may request Best & Final Offers when appropriate. We will make all decisions on compliance, evaluation, terms and conditions, and shall make decisions solely in the best interests of the State. This competitive process requires that you provide additional information and otherwise cooperate with us. If you do not comply with requests for information and cooperate, we may reject your Offer. You have no right to an award by submitting an Offer, nor do you have the right to a contract based on our posting your name in a Bulletin notice. We are not responsible for and will not pay any costs associated with the preparation and submission of your Offer. If you are the awardee, you shall not commence, and will not be paid for any billable work prior to the date all parties execute the contract, unless approved in writing in advance by the State Purchasing Officer or the Chief Procurement Officer (or the CPO's designee).
- 1.15 **GOVERNING LAW AND FORUM:** Illinois law and rule govern this solicitation and any resulting contract. You must bring any action relating to this solicitation or any resulting contract in the appropriate court in Illinois. We do not allow binding arbitration. This document contains statutory references designated with "ILCS". You may view the full text at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>. The Illinois Procurement Code (30 ILCS 500) and the Standard Procurement Rules (44 Ill. Adm. Code 1) are applicable to this solicitation and may be viewed by users registered for the Illinois Procurement Bulletin at <http://www.purchase.state.il.us>.
- 1.16 **EMPLOYMENT TAX CREDIT:** Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. Please contact the Illinois Dept. of Revenue (312-814-3215) for information about tax credits. If you receive this tax credit you must report to the Dept. of Central Management Services the number of individuals hired for whom you received tax credits. You must submit this information by August 31 of each year covering the previous 12 months (July–June) (PA 94-1067; 30 ILCS 500/45-67 and 45-70).

SECTION 2 - HOW WE WILL EVALUATE OFFERS

2.0 OFFER RESPONSE FORMS: We will evaluate the information you provide in the Offer Response Forms. You will find these forms in later sections of this solicitation.

2.1 EVALUATION CATEGORIES: We evaluate four categories of information: Administrative Compliance, Responsibility, Responsiveness, and Price. We will consider the information you supply or don't supply, and the quality of that information when evaluating your Offer. If we find a failure or deficiency, we may have to reject the Offer or reflect that in the evaluation.

2.1.1 ADMINISTRATIVE COMPLIANCE: We will determine whether your Offer complied with the Instructions for submitting Offers. Except for late submissions, we may require that a Vendor correct deficiencies as a condition of further evaluation.

2.1.2 RESPONSIBILITY: We will determine whether you are a "Responsible" Vendor; a Vendor with whom we can or should do business. Factors that we may evaluate to determine Responsibility include, but are not limited to: certifications, conflict of interest, financial disclosures, taxpayer identification number, past performance, references (including those found outside the Offer,) compliance with applicable laws, financial stability and the perceived ability to perform completely as specified. You must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the contract and must provide proof upon request. We may require that a Vendor correct any deficiencies as a condition of further evaluation.

2.1.3 RESPONSIVENESS: We will determine whether the Offer meets the stated requirements. Minor differences or deviations that have negligible impact on the price or suitability of the supply or service to meet the State's needs may be accepted or corrections allowed. If no administratively compliant and responsible Vendor meets a particular requirement, we may waive that requirement. When the specification calls for "Brand Name or Equal," the brand name product is acceptable. Other products will be considered with proof the other product meets stated specifications and is equivalent to the brand product in terms of quality, performance and desired characteristics.

2.2 AWARD: We will award to the Responsible Vendor whose Offer passes Administrative review, is Responsive and is considered the best of those submitted (without consideration of price) and with whom we are able to negotiate a fair and reasonable price.

We will determine how well Offers meet the Responsiveness requirements. We will rank Offers, without consideration of Price, from best to least qualified using a point ranking system (unless otherwise specified) as an aid in conducting the evaluation. Vendors who receive fewer than the minimum required points will not be considered for award.

We will attempt to negotiate a fair and reasonable Price with the Vendor with the best Offer. If we can not negotiate a fair and reasonable price, we reserve the right to award and negotiate with the next highest ranked Vendor. We will determine whether the price is fair and reasonable by considering the Offer, including the Vendor's qualifications, the Vendor's reputation, all prices submitted, other known prices, the project budget and other relevant factors.

The point evaluation system is described below:

2.2.1 The chart below shows the elements of Responsiveness that we will evaluate, their relative weights in point format and any minimum point requirements. The total number of points for Responsiveness is: 1000.

Responsiveness Elements	Minimum Required Points	Weight
Administrative Compliance		
Understanding the RFP. Agency will judge the technical soundness of Vendor's stated approach to the project, the comprehensiveness of Vendor's proposed approach, and the techniques Vendor proposes to use for its analysis.	150	220
Work Plan. Agency will make a determination of Vendor's understanding of Agency's purpose and goals as presented in the RFP. Agency will base its evaluation on the data Vendor presents in its proposal, and Vendor's approach to specific tasks.	150	220
Personnel Qualifications. Agency will evaluate Vendor's ability to successfully complete the analyses described in this RFP, write a report that lay persons can understand, and meet the terms of the RFP with a proposed team of consultants possessing the necessary qualifications.	200	280

<p>Applicant's Experience. Agency will examine Vendor's previous experience analyzing complex state-of-the-art energy projects similar to Illinois' initial clean coal facility and writing reports useful to non-technical people.</p>	200	280
<p>Vendor Interviews. If Agency decides to conduct interviews, Agency will invite only Vendors whose proposals Agency considered most responsive (based on the evaluation criteria shown above). Agency will announce interview evaluation criteria in its interview invitations. Agency may adjust the points it has awarded in the five above listed elements as a result of Vendor interviews.</p>		

3.0 SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK

3.1 AGENCY'S NEED FOR SUPPLIES / SERVICES

- 3.1.1** The State of Illinois enacted Public Act 95-1027, the Clean Coal Portfolio Standard Law, available from the Illinois General Assembly's Internet web site at <http://www.ilga.gov/legislation/publicacts/default.asp?GA=95>. This new law adds Subsection 1-75(d)(4) to the Illinois Power Agency Act [20 ILCS 3855] and requires Agency to submit a report to the General Assembly setting forth its analysis of a facility cost report filed by the initial clean coal facility in Illinois. By law, the Commission must provide its analytical report to the General Assembly within six months after Owner files its facility cost report. However, the likely facility cost report filing date and the need for the General Assembly to take action on Agency's report makes a much earlier completion date for Agency's analysis and report desirable.
- 3.1.2** Agency's goal is to complete a thorough, authoritative analysis of the facility cost report; write, review, and adopt a simple, clear, and easy to read report; and provide the report to the General Assembly as quickly after Owner files its facility cost report as possible. Agency expects that Vendor will begin its analysis as soon as possible after contract execution and begin analyzing information that Owner intends to include in its facility cost report as soon as it becomes available. To achieve Agency's goal, Owner and Vendor must cooperate to begin Vendor's analysis as quickly as information becomes available from Owner.

3.2 SUPPLIES AND/OR SERVICES REQUIRED

- 3.2.1** Agency Project Manager shall be Mr. Philliph Roy Buxton, 527 East Capitol Avenue, Springfield, Illinois 62701, phone (217) 785-5424, or other person so designated by the Agency. Use of the term "Staff" within this Notice of Procurement Opportunity refers to Agency Project Manager and other Agency personnel who shall have a direct interest in this project. Agency Project Manager is the Staff member that Agency has assigned to administer the contract that results from this RFP. Where any dispute should arise concerning this project, Agency Project Manager shall make a final determination over any such disputed matters.
- 3.2.2** A vendor responding to this Request for Proposal shall provide with its proposal a preliminary work plan covering all aspects of its analysis of the facility cost report. To complete the analysis and report as quickly as possible after Owner files its facility cost report, Agency requires a work plan that begins the analysis well before the facility cost report is filed and makes use of all available information from Owner as soon as it becomes available. Agency is including, as an attachment to this RFP, a work schedule that Owner plans on utilizing for completing its facility cost report in order to help Vendors create a viable work plan. Owner's work schedule information is contained in two documents attached to this solicitation notice on the Illinois Procurement Bulletin: (1) "Tenaska Deliverables to ICC Consultant" and (2) "Taylorville Facility Cost Report - KBM Deliverables." The preliminary work plan shall:
- 3.2.2.1** Provide for active participation and coordination with Staff, including weekly meetings by telephone to update Agency Project Manager on events of the past week and planned events in the coming week. Make allowances for Agency Project Manager or a Staff member to accompany Vendor during Owner interviews and other visits.
- 3.2.2.2** Include the necessary steps to meet the goals and objectives of the Agency specified in section 3.1 and the Agency Scope defined by this RFP. Details of each step must be of such depth to afford Agency an understanding of the work to be performed during the investigation, including a description of evaluative criteria, performance measurement techniques, data sources, and analytical methods that Vendor plans to use in conducting the analysis.
- 3.2.2.3** Provide the name, qualifications, and experience of each consultant that Vendor will employ to perform the analysis and write the report. Agency anticipates that multiple personnel of varied disciplinary backgrounds and training will be required during this project, including experience and expertise in finance; engineering; economics; accounting; coal and coal transportation purchasing; regional electricity transmission markets; construction and operation of electric generating plants, coal gasification plants, carbon sequestration, synthetic gas plants, substitute natural gas plants, methanation plants, particulate scrubbers, enhanced oil recovery methods, saline aquifer systems for sequestration of carbon monoxide, electric transmission lines and substations, and electric generating dispatch systems. Provide a description of the subject areas of the analysis in which each consultant will participate and explain why Vendor believes the consultant can perform the analysis competently.
- 3.2.2.4** Include as much of the information that Vendor plans to include in the detailed work plan as Vendor can determine without conducting the orientation interviews and preliminary analyses that will take place after the contract award.
- 3.2.2.5** Provide for written draft task reports to Agency throughout the course of the analysis. Plan the analysis schedule to permit at least one task report each month during the investigation and more if possible. Provide a description of each task report and its specific contents.

- 3.2.2.6** Indicate as specifically as possible the orientation interviews and preliminary analyses that Vendor will conduct prior to submitting its detailed work plan.
- 3.2.2.7** Provide a schedule of work planned for the analysis that is detailed enough to assure Agency that Vendor understands the requirements of the analysis and can allocate resources to meet those requirements. This work schedule should allow Agency to understand when Vendor intends to begin and complete the work to be reported in each task report.
- 3.2.2.8** Provide a date for all milestones, deliverables, and meetings during the analysis. Dates must include:
 - 3.2.2.8.1** When Vendor will begin the analysis.
 - 3.2.2.8.2** When Vendor's fieldwork will begin.
 - 3.2.2.8.3** When Vendor will submit its detailed work plan to Agency.
 - 3.2.2.8.4** When Vendor will submit each draft task report to Agency.
 - 3.2.2.8.5** When Vendor will submit a draft final report to Agency.
 - 3.2.2.8.6** When Agency will submit comments on Vendor's draft final report to Vendor.
 - 3.2.2.8.7** When Vendor will submit its final report to Agency.
- 3.2.2.9** Include an estimate of the hours required for each functional area, work step, and task for each consultant. More information in this portion of the proposal, will aid Agency's examination of Vendor's understanding of the RFP and Vendor's work plan.
- 3.2.2.10** A discussion of Vendor's past work that has prepared Vendor to perform the work required in this RFP.
- 3.2.2.11** An explanation of how Vendor will ensure that its task reports and final report are well organized, clear, concise, grammatically correct, free of all unnecessary technical jargon and acronyms, written for non-technical readers, and easy for lay persons to read and understand.
- 3.2.2.12** A listing and discussion of all potential or real, direct and indirect conflicts of interest via associations, engagement, or interests, either past or present, with Owner or any subsidiaries or affiliates of any Owner company.
- 3.2.3** Detailed Work Plan.

Vendor shall submit a detailed work plan for approval by the Agency before in-depth work begins under the contract. The detailed work plan will allow the Agency to fully understand the issues and subjects that Vendor will address and give both Agency and Vendor a written document to refer to throughout the contract term.

 - 3.2.3.1** Vendor's detailed work plan shall include the requirements for a preliminary work plan as stated in Section 3.2.2, updated as necessary.
 - 3.2.3.2** Vendor shall include in its detailed work plan an outline of its final report that is as complete as possible.
 - 3.2.3.3** Vendor shall attend Agency briefing sessions and agenda meetings as deemed necessary by Agency Project Manager. Vendor shall meet with Staff in the Agency's offices in Chicago or Springfield as requested by Agency Project Manager.
- 3.2.4** Specifications for the Analysis.
 - 3.2.4.1** Vendor shall study and become familiar with portions of Illinois' new Clean Coal Portfolio Standard Law [Public Act 95-1027] relevant to its work under this contract and ensure that its analysis and its report satisfy all the requirements for the Commission Report on Owner's facility cost report contained within new Subsection 1-75(d)(4) of the Illinois Power Agency Act [20 ILCS 3855/1-75(d)(4)] or other parts of the new Clean Coal Portfolio Standard Law. If specifications in this RFP conflict with the requirements of the Clean Coal Portfolio Standard Law, then Vendor's work will conform to the requirements of the Clean Coal Portfolio Standard Law, and Vendor will provide an explanation to the Agency Project Manager. For the remainder of Section 3.2.4 of this RFP, references to portions of the Illinois Power Agency Act will omit the "20 ILCS 3855/" and begin with "1-75."
 - 3.2.4.2** Vendor shall examine the facility cost report and determine whether it meets all the requirements in Subsection 1-75(d)(4) of the Illinois Power Agency Act and include a statement of its findings in its report. If the facility cost report does not meet all the requirements, Vendor's report shall contain a detailed list of the requirements not met, references to parts of the

facility cost report where the requirements should have been included, references to the Clean Coal Portfolio Standard Law where the requirements are found, and Vendor's attempts to obtain the missing elements of the facility cost report from Owner in time to perform its analysis.

- 3.2.4.3** Where estimates of labor costs are necessary in the facility cost report, Vendor will determine whether those labor cost estimates are based on prevailing wages and include its findings in its report.
- 3.2.4.4** Vendor shall examine the qualifications of each preparer of the facility cost report and include in its report Vendor's opinion of the usefulness of the facility cost report based on the qualifications of its preparers.
- 3.2.4.5** Vendor shall examine the front-end engineering and design study [see Subsections 1-75(d)(4)(B)] and determine whether the design represents a plant that Owner can build and operate and expect the plant to perform acceptably over the course of a reasonable life expectancy. Vendor shall provide its estimate of a reasonable life expectancy for the initial clean coal facility. Vendor shall include in its report the results of its analysis and Vendor's opinion on any necessary or desirable changes to the engineering and design of the plant to improve its design or operation or reduce capital or operations and maintenance costs.
 - 3.2.4.5.1** Vendor shall provide a list with explanations of the planning, design, construction, operation, and maintenance problems encountered by previous plants using the same or similar technology as the initial clean coal facility and provide Vendor's opinion on the likelihood that the initial clean coal facility will encounter similar problems. This analysis should cover all initial clean coal facility systems beginning with taking title to coal and ending with releasing title to all plant outputs and products.
 - 3.2.4.5.2** Vendor shall provide its best estimate of the gross and net electrical output capability of the initial clean coal facility. In making its determination, Vendor shall consider any electrical loads necessary to sequester carbon.
 - 3.2.4.5.3** Vendor shall provide its best estimate of the following quantities.
 - 3.2.4.5.3.1** The amount of coal the initial clean coal facility will use per year.
 - 3.2.4.5.3.2** The amount of ash created per year and Owner's ash disposal plans.
 - 3.2.4.5.3.3** The amount of each mercury, sulfur, and other substances removed from the output stream and Owners disposal plans.
 - 3.2.4.5.3.4** The amount of carbon sequestered per year and the amount of carbon released into the atmosphere.
 - 3.2.4.5.4** Vendor shall estimate the air pollution and water pollution resulting from operation of the initial clean coal facility and compare those estimates on a common basis to pollution resulting from operation of a typical existing Illinois coal burning power plant. Vendor shall offer its opinion on possible changes to the initial clean coal facility that would likely reduce air and water pollution resulting from its operation and the likely cost of those changes.
- 3.2.4.6** Vendor shall examine the estimates of capital costs of the core plant and the balance of the plant included in the facility cost report [see Subsection 1-75(d)(4)(A)] and determine the reasonableness of the estimates and whether all necessary capital equipment and other costs are included. The core plant shall include all civil, structural, mechanical, electrical, control, and safety systems. The balance of the plant shall include any capital costs associated with sequestration of carbon dioxide emissions and all interconnects and interfaces required to operate the facility, such as transmission of electricity, construction or backfeed power supply, pipelines to transport substitute natural gas or carbon dioxide, potable water supply, natural gas supply, water supply, water discharge, landfill, access roads, and coal delivery. Vendor shall include in its report the results of Vendor's analysis of the capital cost estimates, Vendor's opinion on whether the estimates represent the actual completed cost of the plant on its final completion date, and a discussion of factors that might affect substantially the capital costs, the magnitude of those affects, Vendor's opinion on the likelihood that those affects will happen, and Vendor's opinion on the likely final completion date of the plant if it is completed. Vendor shall also include in its report Vendor's estimate of whether the plant design will require major capital additions during the first 5, 10, and 15 years of its life and Vendor's opinion of the qualifications of the preparers of the estimates of capital costs.
 - 3.2.4.6.1** As part of its examination of capital costs, Vendor shall consider the cost of any modifications that Vendor believes are necessary for plant performance or other reasons.

- 3.2.4.6.2** As part of its examination of capital costs, Vendor shall examine the method of financing the clean coal facility that is described in the facility cost report [Subsection 1-75(d)(4)(i)]. Vendor shall analyze (1) the amount of capital needed to complete the plant; (2) the feasibility of raising the amount of capital necessary to complete the plant as estimated by Vendor or Owner, whichever is greater; and (3) the feasibility of Owner raising debt and equity capital in the proportion specified in the Facility Cost report. Further, Vendor shall estimate the cost of raising debt capital including interest, underwriting, legal and other administrative costs. Vendor shall provide the results of its analysis in its report.
- 3.2.4.7** Vendor shall examine the operating and maintenance cost quote [see Subsection 1-75(d)(4)(C)] and determine the reasonableness of the quote and each of its component parts. Vendor will place special emphasis on its analysis of the delivered fuel cost quote, but not at the expense of a thorough analysis of the remaining operations and maintenance cost quote. Vendor shall identify and quantify any differences between “operations and maintenance cost” and operating costs. If a fuel contract or fuel delivery contract exists, Vendor will analyze the contract and look for, among other things, reasons why delivered fuel costs might escalate faster than general inflation measures. Vendor shall include in its report the results of its analysis and Vendor’s opinion of likely operating and maintenance cost escalations (due to plant design, equipment failure, or other causes not associated with price and wage inflation) in the first ten years of the plant’s operation.
- 3.2.4.8** Vendor shall analyze all assumed escalation factors used in the facility cost report and include in its report Vendor’s opinion of the reasonableness of those factors and the likelihood that they will be too high and too low. Vendor shall also provide alternative capital cost and operations and maintenance cost estimates at each end of a reasonable range of escalation factor uncertainty.
- 3.2.4.9** Vendor shall analyze the initial clean coal facility’s ability to deliver power and energy into the applicable regional transmission organization markets [see Subsection 1-75(d)(4)(D)] and include the results of its analysis in its report. Vendor shall provide an estimate of any necessary capital cost and operations and maintenance cost to deliver power and energy to the applicable regional transmission organization markets.
- 3.2.4.10** Vendor shall analyze the facility cost report’s estimate of the clean coal facility’s expected electric generating capacity factor [see Subsection 1-75(d)(4)(D)] and determine if Vendor agrees with the estimate. Vendor shall include the results of its analysis in its report, and if Vendor disagrees with the estimate, shall include Vendor’s estimate in its report. Vendor shall describe and explain in its report the factors that will influence the capacity factor. Those factors include, at a minimum, decisions by Owner concerning electricity sales versus synthetic natural gas sales, equipment availability, fuel availability, and plant operating issues. If Vendor expects the capacity factor to be lower than the availability factor, Vendor will explain why. Vendor will also use its estimated capacity factor to calculate the estimated annual electricity output of the initial clean coal facility and include the estimate in its report.
- 3.2.4.11** Vendor shall compare the costs associated with electricity generated by the initial clean coal facility to the costs associated with electricity generated by other types of generating facilities [see Subsection 1-75(d)(4)(ii)]. Vendor shall, at a minimum, include existing nuclear plants, coal fired plants, gas fired plants, wind generators, solar, and power purchased from a regional transmission market, in the list of “other types of generating facilities” compared in this analysis.
- 3.2.4.11.1** In addition to computing and comparing the costs associated with electricity generated by the initial clean coal facility with costs associated with electricity generated by other types of generating facilities, Vendor will also prepare an estimated revenue requirement for the clean coal facility and determine an expected formula contractual price for the electricity generated by the initial clean coal facility. Vendor will develop an estimated revenue requirement consistent with the requirements and limitations set forth in the Clean Coal Portfolio Standard Law, including but not limited to the requirements and limitations set forth in Subsections 1-75(d)(4), and shall also apply regulatory principles derived from Illinois statutes, rules, Commission orders, and judicial opinions applicable to electric utilities in Illinois. This revenue requirement will include the calculation of a rate base for the first year of operation and an operating statement. Vendor will discuss with, and disclose to Staff, all assumptions used in the preparation of the revenue requirement including depreciation methods. Vendor will classify elements of the rate base and operating statement pursuant to the Uniform System of Accounts for Electric Utilities [83 Ill. Adm. Code 415] at <http://www.ilga.gov/commission/icar/admincode/083/08300415sections.html> embodied in the August 1, 2007, Working Copy of the Uniform System of Accounts for Electric Utilities Operating in Illinois (<http://www.icc.illinois.gov/downloads/public/rl/Electric%20USOA%20Working%20Copy%202007.doc>). Agency Staff in the Accounting Department of the Financial Analysis Division will assist in the preparation of the rate base and operating statement. Vendor shall use the rate of return prepared by the Finance Department of the Financial Analysis Division of Agency Staff and include the capital structure used for the rate of return within its report. Vendor shall compute the cost in cents per kilowatt-hour using rate design techniques used in Illinois and with the assistance of the Rates Department of the Financial Analysis Division the Agency.

3.2.4.11.2 Vendor shall compute the marginal cost of synthetic natural gas and the marginal cost of electricity generated for sale by the initial clean coal facility. If marginal costs change depending on the output volumes of the initial clean coal facility, then Vendor shall provide marginal costs at various output intervals to make the cost changes apparent.

3.2.4.12 Vendor shall analyze the rate impacts on residential and small business customers in Illinois over the life of the sourcing agreements [see Subsection 1-75/(d)(4)(ii)]. Vendor shall also analyze the impact on those same customers' electricity bills over the same period. Vendor shall report rate impacts in dollars per kilowatt-hour and report bill impacts in dollars per year for typical customers based on typical usage for each class.

3.2.4.13 Vendor shall analyze the likelihood that the clean coal facility will commence commercial operation by and be delivering power to the facility's busbar by 2016 [see Subsection 1-75/(d)(4)(ii)]. Vendor shall include the results of its analysis in its report along with the substantiating information supporting Vendor's conclusions and Vendor's opinion of the date when the initial clean coal facility will meet this milestone.

3.2.4.14 When the initial clean coal facility becomes operational and supplies power and energy to its busbar, some other electric generating plant or plants will be required to reduce output to maintain balance between electric load and electric generating capacity. Vendor shall determine and report on the types of electric generating plants that will likely experience this output reduction for the first five years of the initial clean coal facility's operational life. Vendor shall also report the type of fuel consumed by these plants and differentiate between coal from Illinois and coal from other states.

3.2.4.15 Vendor shall examine the short term adaptability of the initial clean coal facility and its ability to change its consumption of Illinois coal, natural gas and other fuels and its outputs of natural gas and electricity to accommodate market conditions or other factors and include its findings in its report.

3.2.5 Vendor Reports.

3.2.5.1 As soon after contract signing as possible, Vendor and Vendor's principle consultants will visit Agency in its offices at 527 East Capitol Avenue, Springfield, Illinois to meet and discuss Vendor's pending analysis with Agency Project Manager and other member's of Agency's staff including members of the Accounting Department, Rates Department, and Finance Department of the Financial Analysis Division.

3.2.5.2 Vendor shall report promptly to Agency Project Manager any situation that Vendor feels might jeopardize the timely completion of Vendor's analysis and final report.

3.2.5.3 Vendor shall make a weekly oral report by telephone to Agency Project Manager on a day and time specified by Agency Project Manager. At Agency Project Manager's discretion, Vendor may be required to supplement some weekly oral reports with Internet e-mail reports.

3.2.5.4 Vendor shall make monthly written progress and contract administration reports to Agency Project Manager within five (5) days after the end of the month. Reports shall contain a general discussion of Vendor's progress related to the detailed work plan, any problems that Vendor has encountered during its analysis, available preliminary analysis results, each consultant's hours worked for the month, an accounting of hours spent by each consultant on each task identified in the detailed work plan, and an estimate of how much work is completed on each task and how much work remains on each task. The information on consultant work hours to date and work completion to date shall be provided in a table similar to the table below.

	Task One		Task Two		Total	
Consultant	Budget	Actual	Budget	Actual	Budget	Actual
Consultant A	300	280	40	60	340	340
Consultant B			400	500	400	500
Consultant C	650	400			650	400
Totals	950	680	440	560	1,390	1,240
Percent Complete (budget hours)		72%		127%		89%
Percent Complete (Vendor Est.)		100%		85%		92%

3.2.5.5 Vendor shall provide written task completion reports to Agency throughout the course of the analysis. Vendor shall organize its task completion reports so that, with minimal effort, Vendor can collect them together to form Vendor's final report at the conclusion of Vendor's analysis. Vendor's task completion reports shall be grammatically correct, free of all unnecessary technical jargon and acronyms, and easy for lay persons to read and understand.

- 3.2.5.6** Vendor shall, at Agency's discretion, provide oral reports to Agency during open public meetings on dates and times specified by Agency. Agency expects no more than three such oral reports to Agency, with the number more likely to be one.
- 3.2.5.7** At the conclusion of Vendor's analysis, Vendor shall provide to Agency a final report (a public version – redacted and a confidential version – unredacted). Vendor's final report shall include all information specified in Section 3.2.4 of this RFP and shall explain the standard against which Vendor measured each cost estimate covered by its analysis; how the cost estimate compared to the standard; and Vendor's information sources, analyses, conclusions, and opinions. Vendor's final report shall be properly referenced back to information sources, the Clean Coal Portfolio Standard Law, and the facility cost report. Vendor will include text at the beginning of each final report section explaining which requirements of the Clean Coal Portfolio Standard Law covering the content of the facility cost report and Agency's report to the Illinois General Assembly are examined therein. Vendor's final report shall be grammatically correct, free of all unnecessary technical jargon and acronyms, and easy for lay persons to read and understand. Vendor shall provide its final report in an electronic format approved by Agency Project Manager and thirty (30) hard copies of the confidential version shall be provided for distribution inside the Agency and to the Illinois General Assembly.
- 3.2.5.7.1** Vendor shall include in its report a statement of any actions, inactions, omissions or other aspect of Owner or Owner's facility cost report that affected Vendor's analysis and an explanation of those effects.
- 3.2.5.8** The Illinois General Assembly may hold hearings after Agency provides its report as required by Clean Coal Portfolio Standard Law. In the event of those hearings, Vendor shall appear with Agency before the General Assembly to provide whatever information the General Assembly requires.

3.3 MILESTONES AND DELIVERABLES

Description of Deliverables	Due Dates
Detailed Work Plan submitted to Agency Project Manager.	Fifteen (15) business days after contract execution.
Weekly telephone progress reports submitted to Agency Project Manager. Agency Project Director may also require supplemental e-mail progress reports under some circumstances.	Once each week in the morning on the workday and at the time specified by Agency Project Director.
Monthly written progress reports and contract administration reports submitted to Agency Project Manager.	The fifth (5 th) workday following each month.
Draft Task Reports submitted to Agency Project Manager for comment.	As stated in the detailed work plan.
Draft Final Report submitted to Agency Project Manager for comment.	As stated in the detailed work plan, but no later than 152 calendar days after the initial clean coal facility files its facility cost report with Agency and preferably by March 1, 2010.
Final Report submitted to Agency Project Manager for distribution to Agency (Commissioners).	As stated in the detailed work plan, but no later than 159 calendar days after the initial clean coal facility files its facility cost report with Agency and preferably by March 8, 2010.
Up to three oral presentations to Agency in open public meetings.	Agency will set the date and time as needed.
Oral testimony before one or more committees of the Illinois General Assembly.	Date and time unknown, but after Agency provides its report to the General Assembly.

3.4 REPORTING, STATUS AND MONITORING

- 3.4.1** At the State's option, the Parties will work together to monitor performance during the contract and any warranty term. This may include use of a performance scorecard with conditions, milestones, requirements, or timetables that must be met before additional steps may be taken, or payment is due. The scorecard may also record matters related to price, service, quality and other factors deemed important.
- 3.4.2** Vendor shall cooperate with the State in this monitoring activity, which may require that Vendor report progress and problems (with proposed resolutions), provide records of its performance, allow random inspections of its facilities, participate in scheduled meetings and provide management reports as requested by the State.
- 3.4.3** Refer to Section 3.2.5, "Vendor Reports" and Section 3.3, "Milestones and Deliverables" for reporting requirements.

3.5 VENDOR AND STAFF REQUIREMENTS

- 3.5.1** Qualifications of Vendor and/or Vendor's staff (or others who would perform work under this contract): Vendor must have and demonstrate the education, experience, and technical ability necessary to perform this contract. Agency anticipates that multiple personnel of varied disciplinary backgrounds and training will be required during this project, including experience and expertise in finance; engineering; economics; accounting; coal and coal transportation purchasing; regional electricity transmission markets; construction and operation of electric generating plants, coal gasification plants, carbon sequestration, synthetic gas plants, substitute natural gas plants, methanation plants, particulate scrubbers, enhanced oil recovery methods, saline aquifer systems for sequestration of carbon monoxide, electric transmission lines and substations, and electric generating dispatch systems. Vendor's proposal must show name and relevant professional biographical data of Vendor's staff who would be assigned to this project.
- 3.5.1.1** The Vendor's Engagement Director shall have experience leading multiple discipline teams for technical analysis projects like the project described in this RFP.
- 3.5.1.2** Vendor's proposal shall include at least one consultant with the training, ability and experience to edit all written reports required under this contract and ensure that each written report is properly referenced back to information sources, well organized, unambiguous, clear, concise, grammatically correct, free of all unnecessary technical jargon and acronyms, written for non-technical readers, and easy for lay persons to read and understand.
- 3.5.1.3** Vendor shall verify the citizenship status or work eligibility of all employees and subcontractor employees working on this project.
- 3.5.1.4** When Vendor is on Owner's premises, Vendor shall comply with all of Owner's policies dealing with safety, insurance, work specifications, and not unreasonably interfere with Owner's operations.
- 3.5.1.5** Vendor shall acquire or maintain, at its expense, insurance that is appropriate in type and amount to cover its activities and be prepared to provide certificates of insurance at Agency's request.
- 3.5.1.6** Upon completion of this engagement, Vendor shall maintain the work papers it has prepared in the course of performing its obligations under the Contract for a period of no less than three years from the date of final payment under the Contract, or until all litigation, if any, related to this project is completed, whichever event occurs later. Vendor shall make such work papers available to Agency and its Staff as requested or directed by Agency, its Executive Director, or his designee. This obligation shall survive termination of the Contract.
- 3.5.1.7** Changes to Vendor's staff (or others who would perform work under this Contract) must be pre-approved by the Agency Project Manager. Vendor must provide the Agency Project Manager with the necessary revisions to Vendor's Staffing Specifications supplied pursuant to Section 3.5.
- 3.5.2** Subcontractor Disclosure: Will you be using any subcontractors? ☐ Yes ☐ No
If yes, you must identify in Section 7.7 the names and addresses of all subcontractors you will be using in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. We may request updated information at any time.
- 3.5.3** References: You must provide references from established private firms or government agencies, (four preferred; two of each type preferred) other than the procuring agency, that can attest to your experience and ability to perform the contract subject of this solicitation. You must provide the name, contact information and a description of the supplies or services provided. You must attach your references with the responsibility forms.

3.6 WHERE SERVICES ARE TO BE PERFORMED

- 3.6.1** Agency anticipates that Vendor may be able to perform much of its work in its offices. However, Vendor shall be required to travel to whatever locations Owner dictates to conduct interviews and collect information. Vendor shall also be required to travel to Agency offices in Springfield and Chicago, Illinois for meetings with Agency and Agency Project Director.
- 3.6.2** Work Location Disclosure: Vendor shall disclose in Section 7.8 the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If any work identified for performance in the United States is moved to another country, such action may be deemed a breach of the contract.

3.7 OTHER SPECIFICATIONS

Not applicable.

3.8 TERM OF CONTRACT

This Contract shall commence upon the last dated signature of the Commission and shall conclude upon the earlier of the Illinois General Assembly receiving and acting on Agency's report or 6/30/2011.

3.9 RENEWAL

The resulting Contract may not be renewed.

End of Instructions

SECTION 4 - OFFER TO STATE OF ILLINOIS

Project Title / Reference # CLEAN COAL FACILITY ANALYSIS – TENASKA (Ref#: ICC09EDV001)

The undersigned authorized representative of the identified Vendor does hereby submit this Offer to perform in full compliance with the subject solicitation. By completing and signing this Form, we are making an Offer to the State of Illinois that the State may accept. We are also certifying to compliance with the various requirements of the solicitation and the documents contained in the solicitation.

We have marked each blank below as appropriate and have used N/A when a section is not applicable to this solicitation. We understand that failure to meet all requirements is cause for disqualification.

We have:

- ☐ Reviewed the Offer Form, including all referenced documents as well as the solicitation Instructions, filled in all relevant blanks, provided any requested information, and
- ☐ Signed on the space(s) provided.

Acknowledgment of Amendments

- ☐ We acknowledge receipt of any and all amendments to the solicitation and have taken those into account in making this Offer.

Offer Response Forms. Accompanying and as part of this Offer you will find:

For all Offers

- ☐ Bid Security, if required
- ☐ Designated number of copies
- ☐ Electronic copies, if required. For RFP's include separate disks for technical and pricing, with pricing disk sealed in pricing envelope.
- ☐ Completed Responsibility Forms packet
 - Business and Directory Information
 - Conflict of Interest Disclosures
 - Completed and Signed Taxpayer Identification Number form
- ☐ Completed Minority, Female and Person with Disability Status and Subcontracting form, if required
- ☐ References, if required
- ☐ Political Contributions - We have made the certification required by Public Act 95-971, and attached the State Board of Elections certificate of registration if applicable.

For IFBs

- ☐ Completed and signed Contract

For RFPs

- ☐ Response to Statement of Work/Specifications/Qualifications and Price sections completed and submitted in separate sealed envelopes in the Offer package.

Exceptions. In preparing the Offer we have taken (check one)

- ☐ No Exceptions
- ☐ Exceptions to the State's language or requirements in the following sections of the Offer:
 - ☐ Contract
 - ☐ Responsibility forms

Details of the exceptions are shown (check one)

- ☐ in the text of each section of the Offer
- ☐ on a separate labeled attachment

Domestic Products (check one)

- ☐ We are not making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517).
- ☐ We are making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517). After reading the Act we certify we are eligible and that the following product or products bid or proposed in response to this solicitation meet the requirements of the Act. Check and complete as applicable:
- ☐ All products
- ☐ The following individual products (show line item if applicable)
- _____
- _____

Request for Confidential Treatment (check one)

- ☐ We are not requesting confidential treatment for this Offer.
- ☐ We are seeking confidential treatment for portions of this Offer. We have supplied, as an attachment to this Offer, a listing of the provisions identified by section number for which we seek confidential treatment along with the statutory basis under Illinois law for exempting that information from public disclosure. We have supplied an additional copy of the Offer with confidential information deleted. In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to hold the State harmless for any costs or damages arising out of the State agreeing to withhold the materials based on Vendor's request.

Protests and Negotiations

If we are selected for award, we understand that does not entitle us to a contract. We further understand the award is conditioned on favorable resolution of any protests and to successful negotiation of terms and conditions including, but not limited to price and any exceptions requested.

Vendor Contact Person: The contact person for purposes of responding to any questions the State may have is:

Printed Name _____ Title _____

Address _____

Phone _____ Fax _____

Email _____

(Vendor name and DBA)

(Signature of party authorized to bind the named Vendor)

Printed Name _____ Title _____

Address _____

Phone _____ Fax _____

E-mail _____

SECTION 5 - RESPONSIBILITY FORMS

We have identified various information we need in order to determine if you are eligible to contract with the State and can be considered a "Responsible" Vendor.

You will need to:

Review each of the Responsibility forms, fill in all relevant blanks and provide any requested information.

Business and Directory Information

Conflict of Interest Disclosures

Minority, Female, Person with Disability Status and Subcontracting

Political Contributions

Complete and sign the:

Taxpayer Identification Form

Attach references, if required

You must include all of this as part of your Offer or risk disqualification.

BUSINESS AND DIRECTORY INFORMATION

- (a) Name of Business (Official Name and D/B/A)
- (b) Business Headquarters (include Address, Telephone and Facsimile)
- (c) If a Division or Subsidiary of another organization provide the name and address of the parent
- (d) Billing Address
- (e) Name of Chief Executive Officer
- (f) Customer Contact (include Name, Title, Address, Telephone, Toll-Free Number, Facsimile and E-mail)
- (g) Company Web Site
- (h) Type of Organization (i.e., Sole Proprietor, Corporation, Partnership, etc. -- should be the same as on the Taxpayer ID form below)
- (i) Length of Time in Business
- (j) Annual Sales (for most recently completed Fiscal Year)
- (k) Number of Full-Time Employees (average from most recent Fiscal Year)
- (l) Type of and description of business
- (m) State of incorporation, state of formation or state of organization
- (n) Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the Vendor's performance under the terms of this solicitation.
- (o) Department of Human Rights (DHR) Public Contract Number
If Vendor has employed fifteen (15) or more full-time employees at any time during the 365-day period immediately preceding the publication of this solicitation in the Illinois Procurement Bulletin (or issuance date if not published), then Vendor must have a current Public Contract Number or have proof of having submitted a completed application for one prior to the Solicitation opening date. (44 Ill. Adm. Code 750.210(a)) For application information call the DHR Public Contracts unit at (312) 814-2431.

Show # _____ or attach proof of application.

(p) Information Regarding Debarment, Litigation and Terminations

1. During the last five (5) years has any order, judgment or decree of any Federal or State authority been issued barring, suspending or otherwise limiting your right to contract with any governmental entity, including school districts, or to engage in any business practice or activity?
Yes____ No____
2. Is there any current, pending or threatened litigation, administrative or regulatory proceedings, or similar matters that could affect your ability to perform the required services.
Yes____ No____
3. During the last five (5) years has any customer terminated a contract for cause or accepted damages in lieu of for cause termination?
Yes____ No____

(q) Disclosure of Business Operations with Iran (30 ILCS 500/50-36)

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

____ There are no business operations that must be disclosed to comply with the above cited law.

____ The following business operations are disclosed to comply with the above cited law:

CONFLICT OF INTEREST DISCLOSURES

Instructions. Vendor shall disclose with the Offer financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35).

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: _____

D/B/A (if used): _____

Name of any Parent Organization: _____

Section 1: Section 50-13 Conflicts of Interest

All Vendors must complete this section regardless of the dollar value of the contract or method of procurement. Even if you mark "No Conflict of Interests" you may still need to complete Section 2 and 3.

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One:

_____ No Conflicts Of Interest

_____ Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

Section 2: Disclosure of Financial Interest in the Vendor.

This applies to all contracts with an annual value exceeding \$10,000 that must be procured using one of the authorized competitive methods of source selection. Complete the appropriate subsections.

Vendors must complete subsection (a), (b) or (c) below as applicable if the annual value exceeds \$10,000. Use (c) if you do not meet the requirements for (a) or (b). In addition, all Vendors must complete Section 3.

- (a) Publicly traded corporations subject to SEC reporting requirements
- (a-1) Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.
Check here if submitting a 10k _____, 20f _____, or 40f _____.
- (a-2) Vendor shall identify each contract, pending contracts, bids, proposals and other ongoing procurement relationships it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number (Attach additional pages as necessary. Show "none" if appropriate.)
- (b) Privately held corporations with more than 400 shareholders
- (b-1) These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Procurement Code.
- (b-2) Vendor shall identify each contract, pending contracts, bids, proposals and other ongoing procurement relationships it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number (Attach additional pages as necessary. Show "none" if appropriate.)
- (c) General disclosure. Individuals, sole proprietorships, partnerships and any others not qualified to use subsection (a) or (b) above must complete (c-1), (c-2), and (c-3) as appropriate.
- (c-1) For each individual having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use separate forms for each individual.

Does Ownership exceed 5%?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes show percentage*	_____ %.
Does Ownership value exceed \$106,447.20?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes show \$ amount	\$ _____
Does Distributive Income Share exceed 5%?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes show percentage*	_____ %.
Does Distributive Income Share exceed \$106,447.20?	Yes <input type="checkbox"/>	No <input type="checkbox"/>	If Yes show \$ amount	\$ _____

How is this interest held?

Type of ownership/distributable income share:

Sole Proprietorship ☐ Stock ☐ Partnership ☐ Other (explain) _____

Name: _____

Address: _____

*For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (Dollar value fields must also be completed when applicable):

0.5% or less _____ >0.5 to 1.0% _____ >1.0 to 2.0% _____ >2.0 to 3.0 % _____ > 3.0 to 4.0% _____ %
>4.0 to 5.0% _____ and in additional 1% increments as appropriate _____ %

(c-2) In relation to individuals identified in c-1 above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at end of this Section (attach additional pages as necessary). If no individual has been identified in c-1 above, mark not applicable (n/a) here _____.

(a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes ☐ No ☐

(b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes ☐ No ☐

(c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes ☐ No ☐

(d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes ☐ No ☐

(f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes ☐ No ☐

(h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

(j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

(c-3) Current and Pending Contracts: Vendor shall identify each contract, pending contracts, bids, proposals and other ongoing procurement relationships it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number. (Attach additional pages as necessary. Show "none" if appropriate.)

MINORITY, FEMALE, PERSON WITH DISABILITY STATUS AND SUBCONTRACTING

The Business Enterprise Program Act for Minorities, Females and Persons with Disabilities (BEP) (30 ILCS 575) establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities. While you must complete this form, your response will not be considered in the evaluation. A listing of certified businesses may be obtained from the Department of Central Management Services' Business Enterprise Program for Minorities, Females and Persons with Disabilities by calling 312/814-4190 (Voice & TDD), 800/356-9206 (Toll Free), or 800/526-0844 (Illinois Relay Center for Hearing Impaired).

Name of Company (and D/B/A): _____

Is your company at least 51% owned and controlled by individuals in one or more of the following categories? Yes ☐ No ☐

If "Yes" check each that applies:

Category:

Minority ☐

Female ☐

Person with Disability ☐

Disadvantaged ☐

If "Yes," please identify, by checking the applicable blanks, which agency certified the business and in what category:

Certifying Agency:

Department of Central Management Services ☐

Women's Business Development Center ☐

Chicago Minority Business Development Council ☐

Illinois Department of Transportation ☐

Other (please identify): _____

Category:

Minority ☐

Female ☐

Person with Disability ☐

Disadvantaged ☐

If you are not a certified BEP business, do you have a written policy or goal regarding contracting or subcontracting with BEP certified Vendors? Yes ☐ (attach copy) No ☐

If "No," will you make a commitment to contact BEP certified Vendors and consider them for subcontracting opportunities on this contract? Yes ☐ No ☐

Do you plan on ordering supplies or services in furtherance of this contract from BEP certified Vendors? Yes ☐ No ☐

If "Yes," please identify what you plan to order, the estimated value as a percentage of your total Offer, and the names of the BEP certified Vendors you plan to use.

POLITICAL CONTRIBUTIONS

Public Act 95-971 and Executive Order 3 (2008) address political contributions by Vendors, including affiliated persons and entities. Accordingly, this solicitation contains new provisions that implement the Act and Order. These provisions may be applicable to the contract resulting from this solicitation (<http://www.purchase.state.il.us/ipb/IPBhomep.nsf?Open>).

By submission of an Offer, you acknowledge and certify that you have read, understand and will comply with Public Act 95-971 and Executive Order 3 (2008), including but not limited to, all provisions relating to reporting, soliciting and making contributions to state officeholders, declared candidates for state offices and covered political organizations that promote the candidacy of an officeholder or declared candidate for office. Vendor acknowledges that the State may declare any resultant contract void if this certification is false or if the Act or Order is violated.

In compliance with Public Act 95-971, check the following certification that applies to you:

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☐ Vendor has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration as required by the Act. Note: a copy of the certificate of registration must accompany the Offer.

TAXPAYER IDENTIFICATION NUMBER

I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).
 - If you are an individual, enter your name and SSN as it appears on your Social Security Card.
 - If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
 - If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the d/b/a on the business name line and enter the owner's SSN or EIN.
 - If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
 - For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name: _____

Business Name: _____

Taxpayer Identification Number:

Social Security Number _____
or
Employer Identification Number _____

Legal Status (check one):

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Nonresident alien |
| <input type="checkbox"/> Partnership | <input type="checkbox"/> Estate or trust |
| <input type="checkbox"/> Legal Services Corporation | <input type="checkbox"/> Pharmacy (Non-Corp.) |
| <input type="checkbox"/> Tax-exempt | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery (Corp.) |
| <input type="checkbox"/> Corporation providing or billing
medical and/or health care services | <input type="checkbox"/> Limited Liability Company (select applicable tax classification) |
| <input type="checkbox"/> Corporation NOT providing or billing
medical and/or health care services | <input type="checkbox"/> D = disregarded entity |
| | <input type="checkbox"/> C = corporation |
| | <input type="checkbox"/> P = partnership |

Signature: _____

Date: _____

SECTION 6 - RESPONSIVENESS

For this solicitation, you will need to respond to each of the points identified in Section 3 of the Solicitation. You may respond freeform provided you address all the points, numbering each point as found in Section 3 and addressing them in the order they appear.

SECTION 7 - PRICE

- 7.0 PRICE SUBMISSION:** The Price Proposal must be submitted in a separate, sealed envelope or container in the Offer container. The Vendor will provide its Price Proposal in accordance with the specifications provided below for the services specified in this document. Required pricing details are shown below.
- 7.1 METHOD AND RATE OF COMPENSATION:** Identify the method of charging (hourly, daily, project, item, or other method) and provide the rate or price for each type of supply or service. Pricing shall be in accordance with the unit of measure specified and only one unit price shall be quoted per item unless specifically provided below. All extensions and totals requested shall be shown. Prices quoted must be net after deducting all trade or quantity discounts and any other available allowances. Prices must be F.O.B. DESTINATION with all transportation and handling included and paid by the Vendor.
- 7.2 MAXIMUM COMPENSATION FOR SUPPLIES AND SERVICES:** Show price in checked category only:
☒ Not-to-Exceed Price _____
☐ Estimated Price _____
- 7.3 EXPENSES:** Unless otherwise specified, this contract does not allow for reimbursement of any expense incurred by Vendor, including but not limited to telephone or other communications device, postage, copying, travel, transportation, lodging, food and per diem.
- 7.4 PAYMENT TERMS AND CONDITIONS (including when paid, frequency and retainage):** Owner has agreed to pay for Vendor services involved in this Contract. However, in all matters related to this project, the Agency shall be the sole client of Vendor. Vendor invoices will be submitted to Agency Project Manager for review and approval. An invoice for payment may be submitted at any time following the month's end, for any month in which work was performed or expenses were incurred. Ten percent (10%) of all Agency approved professional fees will be retained until satisfactory completion of Vendor's contractual obligations through June 30 of each year.
- 7.5 DISCOUNTS:** ____% discount for payment within ____ days of delivery. This discount will not be a factor in making the award.
- 7.6 TAX EXEMPTIONS:** State and Federal tax exemption information is available upon request.
- 7.7 SUBCONTRACTORS:** Vendor shall identify the names and addresses of all subcontractors utilized by Vendor in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. The State may request updated information at any time. For purposes of this section, subcontractors are those specifically hired to perform all or part of the work of this contract or to provide the supplies requested by the State.

Subcontractor Name

Amount to be paid

- 7.8 WORK LOCATION DISCLOSURE:** Vendor shall disclose the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If the selected Vendor receives additional consideration in the evaluation based on work being performed in the United States, the resulting contract shall contain a provision that any shift in such work outside the United States may be considered a breach of contract.

Location where services will be performed _____

Value of services performed at this location _____

Location where services will be performed _____

Value of services performed at this location _____

SECTION 8 - CONTRACT

We expect to contract based on the terms and conditions as set forth in the attached State of Illinois Contract. If you are unable to accept one or more parts of the Contract, identify any exception that you want us to consider. You may show these changes on the Contract form itself by striking over language you find problematic, and underlining alternate language or by listing the sections and showing the alternate language on a separate page. You must provide these exceptions requests and alternate language with your Offer. Please note that most contract provisions are required by law or important policy and we have very limited ability to consider and accept changes you might propose. Any proposed changes may be considered in the evaluation.

CONTRACT

The Parties to this Contract are the State of Illinois acting through the undersigned Agency (collectively the State) and the Vendor. The Contract consists of this signature page, the following pages detailing the contents described below, and any attachments identified on these pages.

1. **TERM AND TERMINATION**
2. **DESCRIPTION OF SUPPLIES / SERVICES**
3. **PRICING**
4. **STANDARD TERMS AND CONDITIONS**
5. **CERTIFICATIONS AND CONFLICTS**
6. **SUPPLEMENTAL PROVISIONS**

In consideration of the mutual covenants and agreements contained in this Contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this Contract to be executed by their duly authorized representatives on the dates shown below.

VENDOR

(Vendor Name) _____

Signature _____

Printed Name _____

Title _____ Date _____

Address _____

Phone _____ Fax _____

E-mail _____

STATE OF ILLINOIS

Illinois Commerce Commission _____

Signature _____

Printed Name Tim Anderson

Title Executive Director Date _____

Signature _____

Printed Name Mary Stephenson

Title General Counsel Date _____

Signature _____

Printed Name Kenneth Hundrieser

Title State Purchasing Officer Date _____

STATE USE ONLY

NOT PART OF CONTRACTUAL PROVISIONS

PBC# 09-000000041259

Contract # _____

Project Title Clean Coal Facility Analysis - Tenaska

Procurement Method (IFB, RFP, Small, etc): RFP

Award Code: _____

IPB Publication Date: _____

IPB Ref. # _____

Subcontractor Utilization? Yes ☐ No ☐ Subcontractor Disclosure? Yes ☐ No ☐

Funding Source _____

Obligation # _____

CMS Program Compliance _____

Fiscal Compliance _____

Legal Compliance _____

Executive Compliance _____

1.0 TERM AND TERMINATION

1.1 TERM OF THIS CONTRACT:

This Contract shall commence upon the last dated signature of the Commission and shall conclude upon the earlier of the Illinois General Assembly receiving and acting on Agency's report or 6/30/2011.

1.2 RENEWAL: This Contract may not be renewed.

1.3 TERMINATION FOR CAUSE: The State may terminate this Contract, in whole or in part, immediately upon notice to the Vendor if it is determined that the actions, or failure to act, of the Vendor, its agents, employees or subcontractors have caused, or reasonably could cause jeopardy to health, safety, or property. If Vendor fails to perform to the State's satisfaction any material requirement of this Contract or is in violation of a material provision of this Contract, the State shall provide written notice to the Vendor requesting that the breach or noncompliance be remedied within the period of time specified in the State's written notice. If the breach or noncompliance is not remedied by that date the State may either: (a) immediately terminate the Contract without additional written notice or, (b) enforce the terms and conditions of the Contract, and in either event seek any available legal or equitable remedies and damages.

1.4 TERMINATION FOR CONVENIENCE: Following thirty (30) days written notice, the State may terminate this Contract in whole or in part without the payment of any penalty or incurring any further obligation to the Vendor. Following any such termination for convenience, the Vendor shall be entitled to compensation upon submission of invoices and proof of claim for services provided under this Contract up to and including the date of termination.

2.0 DESCRIPTION OF SUPPLIES AND SERVICES

The State of Illinois enacted Public Act 95-1027, the Clean Coal Portfolio Standard Law, available from the Illinois General Assembly's Internet web site at <http://www.ilga.gov/legislation/publicacts/default.asp?GA=95>. This new law adds Subsection 3855/1-75(d)(4) to the Illinois Power Agency Act [20 ILCS 3855] and requires Agency to submit a report to the General Assembly setting forth its analysis of a facility cost report filed by the initial clean coal facility in Illinois. By law, the Commission must provide its analytical report to the General Assembly within six months after Owner files its facility cost report. However, the likely facility cost report filing date and the need for the General Assembly to take action on Agency's report makes a much earlier completion date for Agency's analysis and report desirable.

2.1 GOALS AND OBJECTIVES:

Agency's goal is to complete a thorough, authoritative analysis of the facility cost report; write, review, and adopt a simple, clear, and easy to read report; and provide the report to the General Assembly as quickly after Owner files its facility cost report as possible. Agency expects that Vendor will begin its analysis as soon as possible after contract execution and begin analyzing information that Owner intends to include in its facility cost report as soon as it becomes available. To achieve Agency's goal, Owner and Vendor must cooperate to begin Vendor's analysis as quickly as information becomes available from Owner.

2.2 SUPPLIES AND/OR SERVICES REQUIRED:

2.2.1 Agency Project Manager shall be Mr. Phillip Roy Buxton, 527 East Capitol Avenue, Springfield, Illinois 62701, phone (217) 785-5424, or other person so designated by the Agency. Use of the term "Staff" within this Contract refers to the Agency Project Manager or other Agency personnel who shall have a direct interest in this project. Where any dispute should arise concerning this project, Agency Project Manager shall make a final determination over any such disputed matters.

2.2.2 Detailed Work Plan. Vendor shall submit a detailed work plan for approval by the Agency before in-depth work begins under this contract. The detailed work plan will allow the Agency to fully understand the issues and subjects that Vendor will address and give both Agency and Vendor a written document to refer to throughout the contract term.

2.2.2.1 Vendor's detailed work plan shall include the requirements from the preliminary work plan as stated in Vendor's preliminary proposal to the RFP, updated as necessary.

2.2.2.2 Vendor shall include in its detailed work plan an outline of its final report that is as complete as possible.

2.2.2.3 Vendor shall attend Agency briefing sessions and agenda meetings as deemed necessary by Agency Project Manager. Vendor shall meet with Staff in the Agency's offices in Chicago or Springfield as requested by Agency Project Manager.

2.2.2.4 When Vendor is on Owner's premises, Vendor shall comply with all of Owner's policies dealing with safety, insurance, work specifications, and not unreasonably interfere with Owner's operations.

2.2.2.5 Vendor shall acquire or maintain, at its expense, insurance that is appropriate in type and amount to cover its activities and be prepared to provide certificates of insurance at Agency's request.

2.2.2.6 Upon completion of this engagement, Vendor shall maintain the work papers it has prepared in the course of performing its obligations under the Contract for a period of no less than three years from the date of final payment under the Contract, or until all litigation, if any, related to this project is completed, whichever event occurs later. Vendor shall make such work papers available to Agency and its Staff as requested or directed by Agency, its Executive Director, or his designee. This obligation shall survive termination of the Contract.

2.2.2.7 Changes to Vendor's staff (or others who would perform work under this Contract) must be pre-approved by Agency Project Manager. Vendor must provide Agency Project Manager with the necessary revisions to Vendor's Staffing Specifications supplied pursuant to Section 2.4.

2.2.3 Specifications for the Analysis.

2.2.3.1 Vendor shall study and become familiar with portions of Illinois' new Clean Coal Portfolio Standard Law [Public Act 95-1027] relevant to its work under this contract and ensure that its analysis and its report satisfy all the requirements for the Commission Report on Owner's facility cost report contained within new Subsection 3855/1-75(d)(4) of the Illinois Power Agency Act [20 ILCS 3855/1-75(d)(4)] or other parts of the new Clean Coal Portfolio Standard Law. If specifications in this Contract conflict with the requirements of the Clean Coal Portfolio Standard Law, then Vendor's work will conform to the requirements of the Clean Coal Portfolio Standard Law, and Vendor will provide an explanation to Agency Project Manager. For the remainder of Section 2.2.3 of this Contract, references to portions of the Clean Coal Portfolio Standard Law will omit the "20 ILCS 3855" and begin with "1-75."

2.2.3.2 Vendor shall examine the facility cost report and determine whether it meets all the requirements in Subsection 1-75(d)(4) of the Illinois Power Agency Act and include a statement of its findings in its report. If the facility cost report does not meet all the requirements, Vendor's report shall contain a detailed list of the requirements not met, references to parts of the facility cost report where the requirements should have been included, references to the Clean Coal Portfolio Standard Law where the requirements are found, and Vendor's attempts to obtain the missing elements of the facility cost report from Owner in time to perform its analysis.

- 2.2.3.3** Where estimates of labor costs are necessary in the facility cost report, Vendor will determine whether those labor cost estimates are based on prevailing wages and include its findings in its report.
- 2.2.3.4** Vendor shall examine the qualifications of each preparer of the facility cost report and include in its report Vendor's opinion of the usefulness of the facility cost report based on the qualifications of its preparers.
- 2.2.3.5** Vendor shall examine the front-end engineering and design study [see Subsections 1-75(d)(4)(B)] and determine whether the design represents a plant that Owner can build and operate and expect the plant to perform acceptably over the course of a reasonable life expectancy. Vendor shall provide its estimate of a reasonable life expectancy for the initial clean coal facility. Vendor shall include in its report the results of its analysis and Vendor's opinion on any necessary or desirable changes to the engineering and design of the plant to improve its design or operation or reduce capital or operations and maintenance costs.
- 2.2.3.5.1** Vendor shall provide a list with explanations of the planning, design, construction, operation, and maintenance problems encountered by previous plants using the same or similar technology as the initial clean coal facility and provide Vendor's opinion on the likelihood that the initial clean coal facility will encounter similar problems. This analysis should cover all initial clean coal facility systems beginning with taking title to coal and ending with releasing title to all plant outputs and products.
- 2.2.3.5.2** Vendor shall provide its best estimate of the gross and net electrical output capability of the initial clean coal facility. In making its determination, Vendor shall consider any electrical loads necessary to sequester carbon.
- 2.2.3.5.3** Vendor shall provide its best estimate of the following quantities.
- 2.2.3.5.3.1** The amount of coal the initial clean coal facility will use per year.
- 2.2.3.5.3.2** The amount of ash created per year and Owner's ash disposal plans.
- 2.2.3.5.3.3** The amount of each mercury, sulfur, and other substances removed from the output stream and Owners disposal plans.
- 2.2.3.5.3.4** The amount of carbon sequestered per year and the amount of carbon released into the atmosphere.
- 2.2.3.5.4** Vendor shall estimate the air pollution and water pollution resulting from operation of the initial clean coal facility and compare those estimates on a common basis to pollution resulting from operation of a typical existing Illinois coal burning power plant. Vendor shall offer its opinion on possible changes to the initial clean coal facility that would likely reduce air and water pollution resulting from its operation and the likely cost of those changes.
- 2.2.3.6** Vendor shall examine the estimates of capital costs of the core plant and the balance of the plant included in the facility cost report [see Subsection 1-75(d)(4)(A)] and determine the reasonableness of the estimates and whether all necessary capital equipment and other costs are included. The core plant shall include all civil, structural, mechanical, electrical, control, and safety systems. The balance of the plant shall include any capital costs associated with sequestration of carbon dioxide emissions and all interconnects and interfaces required to operate the facility, such as transmission of electricity, construction or backfeed power supply, pipelines to transport substitute natural gas or carbon dioxide, potable water supply, natural gas supply, water supply, water discharge, landfill, access roads, and coal delivery. Vendor shall include in its report the results of Vendor's analysis of the capital cost estimates, Vendor's opinion on whether the estimates represent the actual completed cost of the plant on its final completion date, and a discussion of factors that might affect substantially the capital costs, the magnitude of those affects, Vendor's opinion on the likelihood that those affects will happen, and Vendor's opinion on the likely final completion date of the plant if it is completed. Vendor shall also include in its report Vendor's estimate of whether the plant design will require major capital additions during the first 5, 10, and 15 years of its life and Vendor's opinion of the qualifications of the preparers of the estimates of capital costs.
- 2.2.3.6.1** As part of its examination of capital costs, Vendor shall consider the cost of any modifications that Vendor believes are necessary for plant performance or other reasons.
- 2.2.3.6.2** As part of its examination of capital costs, Vendor shall examine the method of financing the clean coal facility that is described in the Facility Cost Report [Subsection 1-75(d)(4)(i)]. Vendor shall analyze (1) the amount of capital needed to complete the plant; (2) the feasibility of raising the amount of capital necessary to complete the plant as estimated by Vendor or Owner, whichever is greater; and (3) the feasibility of Owner raising debt and equity capital in the proportion specified in the Facility Cost report. Further, Vendor shall estimate the cost of raising debt capital including interest, underwriting, legal and other administrative costs. Vendor shall provide the results of its analysis in its report.
- 2.2.3.7** Vendor shall examine the operating and maintenance costs quote [see Subsection 1-75(d)(4)(C)] and determine the reasonableness of the quote and each of its component parts. Vendor will place special emphasis on its analysis of the delivered fuel cost quote, but not at the expense of a thorough analysis of the remaining operations and maintenance cost quote. Vendor shall identify and

quantify any differences between "operations and maintenance cost" and operating costs. If a fuel contract or fuel delivery contract exists, Vendor will analyze the contract and look for, among other things, reasons why delivered fuel costs might escalate faster than general inflation measures. Vendor shall include in its report the results of its analysis and Vendor's opinion of likely operating and maintenance cost escalations (due to plant design, equipment failure, or other causes not associated with price and wage inflation) in the first ten years of the plants operation.

- 2.2.3.8** Vendor shall analyze all assumed escalation factors used in the facility cost report and include in its report Vendor's opinion of the reasonableness of those factors and the likelihood that they will be too high and too low. Vendor shall also provide alternative capital cost and operations and maintenance cost estimates at each end of a reasonable range of escalation factor uncertainty.
- 2.2.3.9** Vendor shall analyze the initial clean coal facility's ability to deliver power and energy into the applicable regional transmission organization markets [see Subsection 1-75(d)(4)(D)] and include the results of its analysis in its report. Vendor shall provide an estimate of any necessary capital cost and operations and maintenance cost to deliver power and energy to the applicable regional transmission organization markets.
- 2.2.3.10** Vendor shall analyze the facility cost report's estimate of the clean coal facility's expected electric generating capacity factor [see Subsection 1-75(d)(4)(D)] and determine if Vendor agrees with the estimate. Vendor shall include the results of its analysis in its report, and if Vendor disagrees with the estimate, shall include Vendor's estimate in its report. Vendor shall describe and explain in its report the factors that will influence the capacity factor. Those factors include, at a minimum, decisions by Owner concerning electricity sales versus synthetic natural gas sales, equipment availability, fuel availability, and plant operating issues. If Vendor expects the capacity factor to be lower than the availability factor, Vendor will explain why.
- 2.2.3.11** Vendor shall compare the costs associated with electricity generated by the initial clean coal facility to the costs associated with electricity generated by other types of generating facilities [see Subsection 1-75(d)(4)(ii)]. Vendor shall, at a minimum, include existing nuclear plants, coal fired plants, gas fired plants, wind generators, solar, and power purchased from a regional transmission market, in the list of "other types of generating facilities" compared in this analysis.
- 2.2.3.11.1** In computing the costs associated with electricity generated by the initial clean coal facility, Vendor will prepare a revenue requirement for the clean coal facility. Vendor will base the revenue requirement upon the regulatory principles derived from Illinois statutes, rules, and Commission orders. This will include the calculation of a rate base for the first year of operation and an operating statement. Vendor will discuss with, and disclose to Staff, all assumptions used in the preparation of the revenue requirement including depreciation methods. Vendor will classify all elements of the rate base and operating statement pursuant to the Uniform System of Accounts for Electric Utilities [83 Ill. Adm. Code 415] at <http://www.ilga.gov/commission/jcar/admincode/083/08300415sections.html> embodied in the August 1, 2007, Working Copy of the Uniform System of Accounts for Electric Utilities Operating in Illinois (<http://www.icc.illinois.gov/downloads/public/rl/Electric%20USOA%20Working%20Copy%202007.doc>). Agency Staff in the Accounting Department of the Financial Analysis Division will assist in the preparation of the rate base and operating statement. Vendor shall use the rate of return prepared by the Finance Department of the Financial Analysis Division of Agency Staff and include the capital structure used for the rate of return within its report. Vendor shall compute the cost per megawatt-hour using rate design techniques used in Illinois and with the assistance of the Rates Department of the Financial Analysis Division of Agency Staff.
- 2.2.3.11.2** Vendor shall compute the marginal cost of synthetic natural gas and the marginal cost of electricity generated for sale by the initial clean coal facility. If marginal costs change depending on the output volumes of the initial clean coal facility, then Vendor shall provide marginal costs at various output intervals to make the cost changes apparent.
- 2.2.3.12** Vendor shall analyze the rate impacts on residential and small business customers in Illinois over the life of the sourcing agreements [see Subsection 1-75(d)(4)(ii)]. Vendor shall report rate impacts in dollars per year for typical customers in each general class of electricity consumer in Illinois based on typical usage for each class and present the comparable kilowatt-hour costs in its report.
- 2.2.3.13** Vendor shall analyze the likelihood that the clean coal facility will commence commercial operation by and be delivering power to the facility's busbar by 2016 [see Subsection 1-75(d)(4)(ii)]. Vendor shall include the results of its analysis in its report along with the substantiating information supporting Vendor's conclusions and Vendor's opinion of the date when the initial clean coal facility will meet this milestone.
- 2.2.3.14** When the initial clean coal facility becomes operational and supplies power and energy to its busbar, some other electric generating plant or plants will be required to reduce output to maintain balance between electric load and electric generating capacity. Vendor shall determine the types of electric generating plants that will likely experience this output reduction for the first five years of the initial clean coal facility's operational life.

2.2.4 Vendor Reports.

- 2.2.4.1** As soon after contract signing as possible, Vendor and Vendor's principle consultants will visit Agency in its offices at 527 East Capitol Avenue, Springfield, Illinois to meet and discuss Vendor's pending analysis with Agency Project Manager and other members

of Agency's staff including members of the Accounting Department, Rates Department, and Finance Department of the Financial Analysis Division.

- 2.2.4.2** Vendor shall report promptly to Agency Project Manager any situation that Vendor feels might jeopardize the timely completion of Vendor's analysis and final report.
- 2.2.4.3** Vendor shall make a weekly oral report by telephone to Agency Project Manager on a day and time specified by Agency Project Manager. At Agency Project Manager's discretion, Vendor may be required to supplement some weekly oral reports with Internet e-mail reports.
- 2.2.4.4** Vendor shall make monthly written progress and contract administration reports to Agency Project Manager within five (5) days after the end of the month. Reports shall contain a general discussion of Vendor's progress related to the detailed work plan, any problems that Vendor has encountered during its analysis, available preliminary analysis results, each consultant's hours worked for the month, an accounting of hours spent by each consultant on each task identified in the detailed work plan, and an estimate of how much work is completed on each task and how much work remains on each task. The information on consultant work hours to date and work completion to date shall be provided in a table similar to the table below.

	Task One		Task Two		Total	
Consultant	Budget	Actual	Budget	Actual	Budget	Actual
Consultant A	300	280	40	60	340	340
Consultant B			400	500	400	500
Consultant C	650	400			650	400
Totals	950	680	440	560	1,390	1,240
Percent Complete (budget hours)		72%		127%		89%
Percent Complete (Vendor Est.)		100%		85%		92%

- 2.2.4.5** Vendor shall provide written task completion reports to Agency throughout the course of the analysis. Vendor shall organize its task completion reports so that, with minimal effort, Vendor can collect them together to form Vendor's final report at the conclusion of Vendor's analysis. Vendor's task completion reports shall be grammatically correct, free of all unnecessary technical jargon and acronyms, and easy for lay persons to read and understand.
- 2.2.4.6** Vendor shall, at Agency's discretion, provide oral reports to Agency during open public meetings on dates and times specified by Agency. Agency expects no more than three such oral reports to Agency, with the number more likely to be one.
- 2.2.4.7** At the conclusion of Vendor's analysis, Vendor shall provide to Agency a final report (a public version – redacted and a confidential version – unredacted). Vendor's final report shall include all information specified in Section 2.2.3 of this Contract and shall explain the standard against which Vendor measured each cost estimate covered by its analysis; how the cost estimate compared to the standard; and Vendor's information sources, analyses, conclusions, and opinions. Vendor's final report shall be properly referenced back to information sources, the Clean Coal Portfolio Standard Law, and the facility cost report. Vendor will include text at the beginning of each final report section explaining which requirements of the Clean Coal Portfolio Standard Law covering the content of the facility cost report and Agency's report to the Illinois General Assembly are examined therein. Vendor's final report shall be grammatically correct, free of all unnecessary technical jargon and acronyms, and easy for lay persons to read and understand. Vendor shall provide its final report in an electronic format approved by Agency Project Manager and thirty (30) hard copies of the confidential version shall be provided for distribution inside the Agency and Illinois General Assembly.
- 2.2.4.7.1** Vendor shall include in its report a statement of any actions, inactions, omissions or other aspect of Owner or Owner's facility cost report that affected Vendor's analysis and an explanation of those effects.
- 2.2.4.8** The Illinois General Assembly may hold hearings after Agency provides its report as required by Clean Coal Portfolio Standard Law. In the event of those hearings, Vendor shall appear with Agency before the General Assembly to provide whatever information the General Assembly requires.

- 2.3 MILESTONES AND DELIVERABLES:** Vendor shall not perform services, provide supplies or incur expenses in amount exceeding the amount shown in this Section, unless a higher amount is authorized in writing by the State prior to the Vendor performing the services, providing the supplies, or incurring the expenses.

Not-to-exceed \$ _____

Description of Deliverables	Due Dates
Detailed Work Plan submitted to Agency Project Manager.	Fifteen (15) business days after contract execution.
Weekly telephone progress reports submitted to Agency Project Manager. Agency Project Director may also require supplemental e-mail progress reports under some circumstances.	Once each week in the morning on the workday and at the time specified by Agency Project Director.
Monthly written progress reports and contract administration reports submitted to Agency Project Manager.	The fifth (5 th) workday following each month.
Draft Task Reports submitted to Agency Project Manager for comment.	As stated in the detailed work plan.
Draft Final Report submitted to Agency Project Manager for comment.	As stated in the detailed work plan, but no later than 152 calendar days after the initial clean coal facility files its facility cost report with Agency and preferably by March 1, 2010.
Final Report submitted to Agency Project Manager for distribution to Agency (Commissioners).	As stated in the detailed work plan, but no later than 159 calendar days after the initial clean coal facility files its facility cost report with Agency and preferably by March 8, 2010.
Up to three oral presentations to Agency in open public meetings.	Agency will set the date and time as needed.
Oral testimony before one or more committees of the Illinois General Assembly.	Date and time unknown, but after Agency provides its report to the General Assembly.

2.4 VENDOR / STAFF SPECIFICATIONS:

- 2.4.1** Subcontractors: Vendor shall identify the names and addresses of all subcontractors utilized by Vendor in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. The State may request updated information at any time. For purposes of this section, subcontractors are those specifically hired to perform all or part of the work of this contract or to provide the supplies requested by the State.

Subcontractor Name

Amount to be paid

- 2.4.2** Qualifications of Vendor and/or Vendor's staff (or others who would perform work under this contract): Vendor must have and demonstrate the education, experience, and technical ability necessary to perform this contract. Agency anticipates that multiple personnel of varied disciplinary backgrounds and training will be required during this project, including experience and expertise in finance; engineering; economics; accounting; coal and coal transportation purchasing; regional electricity transmission markets; construction and operation of electric generating plants, coal gasification plants, carbon sequestration, synthetic gas plants, substitute natural gas plants, methanation plants, particulate scrubbers, enhanced oil recovery methods, saline aquifer systems for sequestration of carbon monoxide, electric transmission lines and substations, and electric generating dispatch systems. Vendor must show name and relevant professional biographical data of Vendor's staff who would be assigned to this project.

- 2.4.2.1** The Vendor's Engagement Director shall have experience leading multiple discipline teams for technical analysis projects like the project described in Section 2.0.

- 2.4.2.2** Vendor shall include at least one consultant with the training, ability and experience to edit all written reports required under this contract and ensure that each written report is properly referenced back to information sources, well organized, unambiguous, clear, concise, grammatically correct, free of all unnecessary technical jargon and acronyms, written for non-technical readers, and easy for lay persons to read and understand.

- 2.4.2.3** Vendor shall verify the citizenship status or work eligibility of all employees and subcontractor employees working on this project.

2.5 DELIVERY SPECIFICATIONS: N/A

- 2.6 WHERE SERVICES ARE TO BE PERFORMED:** Unless otherwise specified in this section all services shall be performed in the United States. If the Vendor creates or manufactures the supplies or performs any of the work in another country in violation of the Contract, such action may be deemed a breach of the Contract. Vendor shall disclose the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. If the Vendor received

additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

Location where services will be performed _____
Value of services performed at this location _____

Location where services will be performed _____
Value of services performed at this location _____

2.7 SCHEDULE OF WORK: Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

2.8 WARRANTIES FOR SUPPLIES AND SERVICES:

2.8.1 Vendor warrants that the supplies furnished under this Contract (a) will conform to the State's manufacturing standards, specifications, drawing, samples or descriptions furnished by the State, including but not limited to all specifications attached as exhibits hereto, (b) will be merchantable, of good quality and workmanship, free from defects for a period of twelve months or longer if specified in writing, and fit and sufficient for the intended use (c) will comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies (d) will be of good title and be free and clear of all liens and encumbrances and (e) will not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties. Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

2.8.2 Vendor warrants that all services will be performed in a good and professional manner to industry standards by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing to professional standards, who is not efficient or effective in performing the work of the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the Contract or State policies.

2.9 REPORTING, STATUS AND MONITORING SPECIFICATIONS:

2.9.1 Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the Contract.

2.9.2 Upon request and on forms provided by Agency, Vendor shall report the number of qualified veterans and certain ex-offenders hired during Vendor's last completed fiscal year. Vendor may be entitled to employment tax credit for hiring individuals in those groups (PA 94-1067).

2.9.3 At the State's option the Parties will work together to monitor performance during the contract and any warranty term. This may include use of a performance scorecard with conditions, milestones, requirements, or timetables that must be met before additional steps may be taken, or payment is due. The scorecard may also record matters related to price, service, quality and other factors deemed important.

2.9.4 Vendor shall cooperate with the State in this monitoring activity, which may require that Vendor report progress and problems (with proposed resolutions), provide records of its performance, allow random inspections of its facilities, participate in scheduled meetings and provide management reports as requested by the State.

2.9.5 Refer to Section 2.2.4, "Vendor Reports" and Section 2.3, "Milestones and Deliverables" for reporting requirements.

3.0 **PRICING**

3.1 **METHOD AND RATE OF COMPENSATION:** Vendor shall be compensated by the following method:

- ☐ hourly _____
- ☐ monthly _____
- ☐ annually _____
- ☐ project _____
- ☐ item _____

3.2 **MAXIMUM COMPENSATION FOR SUPPLIES AND SERVICES:**

- ☐ Not-to-Exceed Price _____
- ☐ Estimated Price _____

3.3 **RENEWAL COMPENSATION:** N/A

3.4 **EXPENSES:** Unless otherwise agreed upon and stated herein, this Contract does not allow for reimbursement of any expense incurred by Vendor, including but not limited to telephone or other communications device, postage, copying, travel, transportation, lodging, food and per diem. Any approved travel expenses shall be reimbursed in accordance with the Travel Regulation Council and Governor's Travel Board rules.

3.5 **DISCOUNT:** ____% discount for payment within ____ days of delivery.

3.6 **TAX:** Vendor shall not bill for any taxes unless accompanied by proof the State is subject to the tax. If necessary, Vendor may request the applicable Agency's Illinois tax exemption number and federal tax exemption information.

3.7 **INVOICING:** Vendor shall invoice at the completion of the Contract unless invoicing is tied in this Contract to milestone or deliverables, or other invoicing requirements agreed to elsewhere in this Contract. Send invoices to the following:

Illinois Commerce Commission
Attn: Roy Buxton
527 East Capitol Ave.
Springfield, IL 62701.

3.8 **PAYMENT TERMS AND CONDITIONS:**

3.8.1 Owner has agreed to pay for Vendor services involved in this Contract. However, in all matters related to this project, the Agency shall be the sole client of Vendor. Vendor invoices will be submitted to Agency Project Manager for review and approval. An invoice for payment may be submitted at any time following the month's end, for any month in which work was performed or expenses were incurred. After Agency Project Manager approval, Agency will coordinate payment to Vendor as follows:

3.8.1.1 **PROFESSIONAL FEES.** The compensation of professional fees for this project shall be tied to the accomplishment of specific milestones and steps in the current approved project plan as outlined in Section 2.4 above. Vendor shall submit an invoice to the Project Manager. Professional fees are subject to ten percent (10%) retainage as described in Section 3.8.2, below. Each invoice shall be of sufficient detail to relate the costs therein to the work performed, by individual, to the approved preliminary or detailed work plans or a specific milestone submitted by VENDOR and approved by Staff.

3.8.1.2 **EXPENSES.** Expenses are to be included in the hourly rates that make up the compensation described above in Section 3.2.

3.8.2 Retainage shall be accounted for separately for each fiscal year ending June 30. Ten percent (10%) of all Agency approved professional fees will be retained until satisfactory completion of Vendor's contractual obligations through June 30 of each year. Retainage will be released each year, if and when all contractual obligations through June 30 of each year within the control of the Vendor have been fulfilled.

3.8.3 By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the Contract, and the amount billed and expenses incurred are as allowed in the Contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims (30 ILCS 105/25). All invoices are subject to statutory offset (30 ILCS 210).

3.8.4 Payments, including late payment charges, will be paid in accordance with the State "Prompt Payment Act" (30 ILCS 540) and rules (74 Ill. Adm. Code 900) when applicable. Payments delayed at the beginning of the State's fiscal year (July and August payments) because of the appropriation process shall not be considered a breach.

3.8.5 The State shall not be liable to pay for supplies provided or services rendered, including related expenses incurred prior to the execution of this Contract by the Parties and the beginning of the term of this Contract.

- 3.8.6** As a condition of receiving payment Vendor must pay its employees prevailing wages when required by law (e.g., public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services). Vendor is responsible for contacting the Illinois Dept. of Labor (217-782-6206; <http://www.state.il.us/agency/idol/index.htm>) to ensure understanding of prevailing wage requirements (30 ILCS 500/25-60(b)).
- 3.8.7** As a condition of receiving payment Vendor must pay its suppliers and subcontractors according to the terms of their respective contracts. Vendor shall provide lien waivers to the State upon request.

4.0 STANDARD TERMS AND CONDITIONS

- 4.1 AVAILABILITY OF APPROPRIATION (30 ILCS 500/20-60):** State shall use its best efforts to secure sufficient appropriations to fund this Contract. However, the State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason.
- 4.2 AUDIT/RETENTION OF RECORDS (30 ILCS 500/20-65):** Vendor and its subcontractors shall maintain books and records relating to the performance of the Contract or subcontract and necessary to support amounts charged to the State under the Contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three years from the later of the date of final payment under the Contract or completion of the Contract, and by the subcontractor for a period of three years from the later of final payment under the term or during the three year period thereafter. Books and records required to be maintained under this section shall be available for review or audit by representatives of the State, the Auditor General, the Executive Inspector General and other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the Contract for which adequate books and records are not available to support the purported disbursement. The Vendor shall not impose a charge for audit or examination of the Vendor's books and records. If federal funds are used to pay contract costs, the Vendor must retain its records for five years. Vendor shall take reasonable steps to insure that any subcontractor is in compliance with the requirements of this section.
- 4.3 TIME IS OF THE ESSENCE:** Time is of the essence with respect to Vendor's performance of this Contract. Except as specifically waived in writing, failure by either Party to exercise or enforce a right shall not affect any subsequent ability to exercise or enforce a right.
- 4.4 FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring party may cancel the Contract without penalty if performance does not resume within 30 days of the declaration.
- 4.5 CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this Contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this Contract. The receiving Party shall presume all information received or to which it gains access pursuant to this Contract is confidential unless otherwise designated by the disclosing Party. No confidential data collected, maintained, or used in the course of performance of the Contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the Contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the Contract, in whatever form it is maintained, promptly at the end of the Contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.
- 4.6 USE AND OWNERSHIP:** All work performed or supplies created by Vendor under this Contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed to herein. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Confidential data or information contained in such work shall be subject to Section 4.5 herein.
- 4.7 INDEMNIFICATION AND LIABILITY:** The Vendor agrees to indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of (a) any breach or violation by Vendor of any of its representations, warranties, covenants or agreements set forth herein, (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss by whomsoever suffered, claimed to result in whole or in part from Vendor's negligent performance hereunder, (c) any act, activity or omission of Vendor or any of its employees, representatives, subcontractors or agents. Neither party shall be liable for incidental, special, consequential or punitive damages.
- 4.8 INSURANCE:** Vendor shall, at all times during the term and any renewals, maintain and provide a Certificate of Insurance naming the State as additional insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 days notice has been provided to the State. Vendor shall provide: (a) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims.

- 4.9 INDEPENDENT CONTRACTOR:** Vendor shall, in the performance of this Contract, be an independent contractor and not an agent or employee of, or joint venturer with the State. All payments by the State shall be made on that basis.
- 4.10 ASSIGNMENT AND SUBCONTRACTING:** This Contract may not be assigned, transferred or subcontracted in whole or in part by the Vendor without the prior written consent of the State. Vendor shall describe, as a supplemental provision to this Contract, the names and addresses of all authorized subcontractors utilized by Vendor in the performance of this Contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. For purposes of this section, subcontractors are those specifically hired to perform all or part of the work or to provide the supplies covered by the Contract.
- 4.11 SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this Contract to perform any work under this Contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this Contract.
- 4.12 COMPLIANCE WITH THE LAW:** The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this Contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes.
- 4.13 BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's officers, employees or agents. Vendor shall reassign immediately any such individual who does not pass the background checks.
- 4.14 APPLICABLE LAW:** This Contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this Contract must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any Contract dispute. The State of Illinois does not waive sovereign immunity by entering into this Contract. The official text of cited statutes is incorporated by reference (An unofficial version can be viewed at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>). In compliance with the Illinois and federal Constitutions, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act and other applicable laws and rules, the State does not unlawfully discriminate in employment, contracts, or any other activity.
- 4.15 ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim and cause of action it has arising under federal or state antitrust laws relating to the subject matter of the Contract, then upon request Vendor shall assign to the State all right, title and interest in and to the claim or cause of action.
- 4.16 AUTHORIZATION:** Each Party to this Contract represents and warrants to the other that: (a) it has the right, power and authority to enter into and perform its obligations under this Contract and (b) it has taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of this Contract, and (c) this Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.
- 4.17 CONTRACTUAL AUTHORITY:** The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the Contract. When the Department of Central Management Services (CMS) signs in addition to an Agency, CMS does so as approving officer and shall have no liability to Vendor. When CMS signs a Master Contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor.
- 4.18 NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the Contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

5.0 CERTIFICATIONS AND CONFLICTS

Vendor certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:

- 5.1** Vendor, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this Contract.
- 5.2** Vendor is not in default on an educational loan (5 ILCS 385/3).
- 5.3** Vendor (if an individual, sole proprietor, or partner) has informed the director of the Agency in writing if he/she was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. Vendor has not received an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items (30 ILCS 105/15a).
- 5.4** Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer, and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract (30 ILCS 500/25-80).
- 5.5** Vendor has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has Vendor made an admission of guilt of such conduct that is a matter of record (30 ILCS 500/50-5).
- 5.6** If Vendor has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).
- 5.7** If Vendor, or any officer, director, partner, or other managerial agent of Vendor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the Contract void if this certification is false (30 ILCS 500/50-10.5).
- 5.8** Vendor and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the Contract void if this certification is false (30 ILCS 500/50-11) or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).
- 5.9** Vendor and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledges that failure to comply can result in the Contract being declared void.
- 5.10** Vendor certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five years, and is therefore not barred from being awarded a contract. If the State later determines that this certification was falsely made by the Vendor, the Vendor acknowledges that the State may declare the Contract void (30 ILCS 500/50-14).
- 5.11** Vendor has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Vendor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- 5.12** Vendor is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).
- 5.13** Vendor will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- 5.14** In accordance with the Steel Products Procurement Act, steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring agency grants an exception (30 ILCS 565).
- 5.15** Vendor will, pursuant to the Drug Free Workplace Act, provide a drug free workplace and Vendor and its employees shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance during the performance of the Contract. This certification applies to contracts of \$5000 or more with individuals; and to entities with 25 or more employees (30 ILCS 580).

- 5.16** Neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed \$10,000 (30 ILCS 582).
- 5.17** Vendor has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33 E-3, E-4).
- 5.18** Vendor complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).
- 5.19** Vendor does not pay dues to, or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).
- 5.20** Vendor complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the Contract have been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).
- 5.21** Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the Contract have been produced in whole or in part by the labor or any child under the age of 12 (30 ILCS 584).
- 5.22** Vendor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5) that states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State until the violation is mitigated."
- 5.23** Vendor warrants and certifies that it, and to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.
- 5.24** In accordance with Public Act 095-0307, all information technology, including electronic information, software, systems and equipment, developed or provided under this contract must comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at www.dhs.state.il.us/iitaa.
- 5.25** Vendor has disclosed if required, on forms provided by the State, and agrees it is under a continuing obligation to disclose to the State, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit Vendor from having or continuing the Contract. This includes, but is not limited to conflicts under the "Infrastructure Task Force Fee Prohibition" section of the State Finance Act (30 ILCS 105/8.40), Article 50 of the Illinois Procurement Code (30 ILCS 500/50), or those which may conflict in any manner with the Vendor's obligation under this Contract. Vendor shall not employ any person with a conflict to perform under this Contract. If any elected or appointed State officer or employee, or the spouse or minor child of same has any ownership or financial interest in the Vendor or the Contract, Vendor certifies it has disclosed that information to the State if required, on forms provided by the State, and any waiver of the conflict has been issued in accordance with applicable law and rule. A waiver is required if:
- a) the person intending to contract with the State, their spouse or child: (i) holds an elective office in Illinois; (ii) holds a seat in the Illinois General Assembly; (iii) is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority; or holds an appointed position or is employed in any of the offices or agencies of the State government and who receives compensation for such employment in excess of 60% of the salary of the Governor (currently \$106,447.20). (The conflict of interest threshold of 60% of the Governor's salary set forth in Section 50-13 does not apply to elective office holders, legislators, and officers or employees of the Capital Development Board or the Illinois Toll Highway Authority.);
 - b) the contract is with a firm, partnership, association or corporation in which a person referenced in a) above receives more than 7.5% of the total distributable income or an amount in excess of the salary of the Governor (currently \$177,412.00).
 - c) the contract is with a firm, partnership, association or corporation in which a person referenced in b) above, together with their spouse or minor child, receives more than 15% in the aggregate of the total distributable income or an amount in excess of 2 times the salary of the Governor (currently \$354,824.00) from the firm, partnership, association or corporation.
- 5.26** Vendor, as defined in Public Act 95-971 and Executive Order 3 (2008), certifies that it has read, understands, and is in compliance with the Act and Order and will not make or solicit a contribution that will violate the Act or Order. In general, Public Act 95-0971 contains new registration and reporting requirements for certain Vendors, as well as limitations on political contributions by certain Vendors and their affiliates. These requirements shall be effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the contract term, whichever is longer. Executive Order 3 (2008) establishes additional restrictions on political contributions and solicitations by certain Vendors and their affiliates.

a) Vendor further certifies, in accordance with Executive Order 3 (2008), that Vendor will not perform any prohibited act listed in Executive Order 3 (2008)(III)(B), and acknowledges a continuing duty to report to the appropriate State Agency any contributions made by Vendor, or its affiliated entities and persons, during the term of the Contract and for a period of two years after the end of the contract term.

b) Vendor further certifies, in accordance with Public Act 95-971, as applicable:

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☐ Vendor has registered as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration as required by the Act. A copy of the certificate of registration is attached.

Vendor acknowledges that the State may declare this Contract void without any additional compensation due to the Vendor if this foregoing certification is false or if the Vendor (or any of its Affiliated Persons or Entities) engages in conduct that violates Public Act 95-0971 or Executive Order 3 (2008).

6.0 SUPPLEMENTAL PROVISIONS

- 6.1 **ENTIRE CONTRACT:** This Contract, consisting of the signature page, sections one through six, and any attachments marked (X) below, constitutes the entire Contract between the Parties concerning the subject matter of the Contract, and supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the Contract. Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. This Contract can be signed in multiple counterparts. Any provision of this Contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

_____ Definitions

_____ Public Works Requirements (820 ILCS 130/4)

_____ Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2000 per year (30 ILCS 500/25-60)

_____ Prevailing Wage (all printing contracts) (30 ILCS 500/25-60)

_____ Prohibition on Contingent Fees (certain federally funded contracts)

_____ BEP Subcontracting Requirements (Utilization Plan and Letter of Intent)

_____ State Supplemental Terms and Conditions

_____ Vendor Supplemental Terms and Conditions

_____ Prior Vendor Collective Bargaining Contractor

This applies if the prior Vendor's employees who perform the services under the prior contract are covered by a collective bargaining contract. In accordance with Illinois law (30 ILCS 500/25-80), in order to be considered a responsible bidder and eligible for award you must: (a) offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its offer, and (b) offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract. You are certifying you will comply with this law.

_____ Information Technology Requirements

As required by Illinois Public Act 095-0307, all information technology, including electronic information, software, systems, and equipment, developed or provided under this contract must comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as posted at <http://www.dhs.state.il.us/iitaa>.

_____ Other (describe)